
U.S. Senate
Republican Policy
Committee

Larry E. Craig, Chairman
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Legislative Notice

Editor, Judy Gorman Prinkey

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S. 507 — Water Resources Development Act of 1999

Calendar No. 72

Reported by the Committee on Environment and Public Works March 23, 1999, by voice vote, with an amendment in the nature of a substitute [S. Rept. 106-34].

NOTEWORTHY

- S. 507 authorizes 43 new construction projects within the civil works program of the Army Corps of Engineers for flood control, navigation, hurricane protection and beach erosion control, and environmental restoration.
- Also, the bill modifies 26 existing projects and authorizes 43 feasibility studies on new projects.
- The Congressional Budget Office has not yet generated an estimate of the cost of this authorization bill. The estimate will be printed in the *Congressional Record* when it is ready.
- The Senate passed a similar bill last year, S. 2131, but the House failed to act.

HIGHLIGHTS

S. 507 contains new project authorizations and new programs, as requested by the Administration, as well as several modifications to existing projects and programs also requested by the Administration. In some cases, as here noted, the Committee modified the specific Administration requests.

- Section 201 of the bill proposes a major new initiative by the Administration permitting the Secretary of the Army, under a new continuing authorities program (that is, in which the individual projects do not require congressional authorization), to **construct non-structural flood control projects** at a cost share of 65 percent Federal and 35 percent non-Federal. This would apply only to "non-structural" flood control and riverine ecosystem restoration projects, including upland water storage, voluntary buyouts, setback levees, and flood warning systems. The Committee authorizes a two-year program (for the fiscal years 2000 and 2001) with a funding level of \$75 million and a \$25 million per project cap. The Administration wanted more time and money but the Committee decided on a shorter term and less money to ensure timely oversight.
- Section 202 of S. 507 changes the cost-share formula for the 50-year renourishment work for **shore protection projects** from 65 percent Federal and 35 percent non-Federal to a 50/50 formula. The Administration had proposed reducing the Federal share of periodic nourishment work (many such projects involve rebuilding beaches from hurricane and storm damage) to 35 percent. The new formula will be applied to those projects (that advance to construction) that do not have a completed feasibility study before December 31 of this year. That is, those projects for shore protection that are authorized in this Act, as well as those projects that complete a feasibility study by December 31, 1999, will be cost-shared at the current 65 percent Federal and 35 percent non-Federal.
- A third major change in policy involves **recreational user fees**. The Administration recommended and the Committee accepted a proposal to modify policy governing the expenditure of fees collected at Army Corps of Engineer recreation sites. Section 208 would allow the Corps to use any recreation fees it collects above an annual, national baseline level of \$34 million to remain at the facility where the fee originated. The Corps' authority for using the funds remaining at the facility is limited to maintenance activities only, such as trail or campground upkeep.

BACKGROUND

In 1986 Congress made major reforms to the process of developing and funding water resource projects (P.L. 99-662). Cost-sharing formulas were established for deep draft harbor dredging, flood control, shoreline protection, streambanks erosion control and other projects. Local Cooperation Agreements were required for all projects. Projects for enhancement of fish and wildlife resources were allowed to be carried out at up to 100 percent Federal expense and environmental restoration at 75 percent Federal expense.

The Harbor Maintenance Trust Fund, capitalized by a new Harbor Maintenance Fee, was established to pay 40 percent of the Federal cost of maintaining authorized deep draft navigation channels and was subsequently increased to 100 percent by the 1990 WRDA.

Since 1986 the Committee's policy has been to authorize only those construction projects that conform with cost-sharing and other policies established by the 1986 Water Resources

Development Act. It is also the policy of the Committee to require projects to have undergone full and final engineering, economic and environmental review by the Chief of Engineers prior to project approvals by the Committee. The projects included in this legislation comport with these policies.

BILL PROVISIONS

Title I — Water Resources Projects

Section 101 authorizes the Secretary of the Army to carry out 43 projects for water resources development, conservation, and other purposes in accordance with the plans recommended in the report and referenced in the bill language. The reports are those prepared by the Chief of the Civil Works Division on individual projects. Descriptions of individual projects can be found on pages 5-22 of the Committee report, S. Rept. 106-34.

Section 102 authorizes the Secretary to modify previously authorized projects for water resources development, conservation and other purposes. Project descriptions can be found in the report on pages 22 - 31.

Title II — General Provisions

No attempt is made in this Notice to describe the provisions of the bill on a section-by-section basis because most of the bill's numbered sections focus on specific programs. Instead, only those sections that represent a significant change in existing federal water policy are described here.

Section 201, Flood Hazard Mitigation and Riverine Ecosystem Restoration Program, allows the Secretary to work with other Federal agencies and state and local entities to both reduce flood damages and conserve, restore, and maintain riverine and related land resources. The emphasis will be on non-structural flood damage reduction measures and ecosystem restoration measures that conserve, restore, and manage hydrologic and hydraulic regimes and restore the natural functions and values of the floodplain.

This provision instructs the Secretary to examine the potential for flood damage reductions in the following high priority areas: Saint Genevieve, Missouri; Upper Delaware River Basin, New York; Tillamook County, Oregon; Providence County, Rhode Island; Willamette River Basin, Oregon; and Mill Creek, Cincinnati, Ohio. This section authorizes \$75 million for fiscal years 2000 and 2001 for the aforementioned purposes.

Section 202, Shore Protection, creates a new cost-sharing formula for the periodic nourishment of shore protection projects. The non-Federal share will be 50 percent of the cost of the periodic nourishment except that the cost of the periodic nourishment of privately owned shores will be borne by non-Federal interests, and the cost of periodic nourishment of federally owned shores will be borne by the Federal Government. The provision maintains the Federal/non-Federal

cost sharing provisions of the 1986 WRDA for initial construction of shore protection projects at 65 percent Federal and 35 percent non-Federal.

Section 203, Small Flood Control Authority, increases the Federal share for flood damage reduction studies and projects from \$5 million to \$7 million.

Section 204, Use of Non-Federal Funds for Compiling and Disseminating Information on Flood and Flood Damages, allows the Secretary to accept and expend certain funds provided by States and local governments to compile and disseminate information on floods and flood damages. The 1990 WRDA prohibited collection of fees from such entities but demand for information has increased and several entities have offered to contribute funds to expand the services allowed by this section.

Section 205, Aquatic Ecosystem Restoration, allows nonprofit entities to participate as non-Federal project sponsors in aquatic ecosystem restoration and protection projects. This will expand the universe of project sponsors.

Section 208, Recreation User Fees, allows the Corps of Engineers to retain and spend 100 percent of recreation user fees above a baseline of \$34 million FY 1999 through FY 2002. Currently, all recreation fees are deposited in a special account in the Treasury and are made available to the Corps only after Congress provides an appropriation in subsequent fiscal years.

Descriptions of the remaining sections of Title II can be found on pages 34-38 of the Committee Report.

Title III. Project-Related Provisions

This title contains 31 sections dealing with specific construction projects. Descriptions can be found on pages 38-43 of the Committee Report.

ADMINISTRATION POSITION

No administration position was available at press time.

COST

No Congressional Budget Office estimate is available at this time. However, as soon as a CBO report is completed, it will be printed in the *Congressional Record*.

OTHER VIEWS

Amendments were adopted in Committee by voice vote and the bill was reported to the Senate by voice vote. No Minority Views were filed.

POSSIBLE AMENDMENTS

Few, if any, amendments are anticipated.

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